

1 M. ELIZABETH DAY (SBN 177125)

2 eday@feinday.com

3 DAVID ALBERTI (SBN 220265)

4 dalberti@feinday.com

5 SAL LIM (SBN 211836)

6 slim@feinday.com

7 MARC BELLOLI (SBN 244290)

8 mbelloli@feinday.com

9 **FEINBERG DAY ALBERTI LIM**  
10 **& BELLOLI LLP**

11 1600 El Camino Real, Suite 280

12 Menlo Park, CA 94025

13 Tel: 650.618.4360

14 Fax: 650.618.4368

15 Attorneys for Uniloc 2017 LLC

16 UNITED STATES DISTRICT COURT  
17 CENTRAL DISTRICT OF CALIFORNIA

18 UNILOC 2017 LLC

19 Plaintiff,

20 v.

21 MICROSOFT CORPORATION,

22 Defendant.

CASE NO. 8:18-cv-02054

**COMPLAINT FOR PATENT  
INFRINGEMENT**

**DEMAND FOR JURY TRIAL**

1 Plaintiff Uniloc 2017 LLC (“Uniloc”), by and through the undersigned  
2 counsel, hereby files this Complaint and makes the following allegations of patent  
3 infringement relating to U.S. Patent Nos. 7,020,252, 8,613,110 and 7,024,696  
4 against Defendant Microsoft Corporation (“Microsoft”), and alleges as follows  
5 upon actual knowledge with respect to itself and its own acts and upon information  
6 and belief as to all other matters:

### 7 **NATURE OF THE ACTION**

8 1. This is an action for patent infringement. Uniloc alleges that  
9 Microsoft infringes U.S. Patent Nos. 7,020,252 (the “’252 patent”), 8,613,110 (the  
10 “’110 patent) and 7,024,696 (the “’696 patent”), copies of which are attached hereto  
11 as Exhibits A-C (collectively, “the Asserted Patents”).

12 2. Uniloc alleges that Microsoft directly and indirectly infringes the  
13 Asserted Patents by making, using, offering for sale and selling devices that restrict  
14 or grant access to audio recordings by users based on a qualifying parameter, such  
15 as Microsoft Stream and prevent piracy of Microsoft Office products through  
16 product registration and activation. Uniloc alleges that Microsoft also induces and  
17 contributes to the infringement of others. Uniloc seeks damages and other relief for  
18 Microsoft’s infringement of the Asserted Patents.

### 19 **THE PARTIES**

20 3. Uniloc 2017 LLC is a Delaware corporation having places of business  
21 at 1209 Orange Street, Wilmington, Delaware 19801 and 620 Newport Center  
22 Drive, Newport Beach, California 92660.

23 4. Uniloc holds all substantial rights, title and interest in and to the  
24 Asserted Patents.

25 5. Upon information and belief, Defendant Microsoft is a corporation  
26 organized and existing under the laws of the State of Washington, with the  
27 following places of business in this District: 3 Park Plaza, Suite 1600, Irvine, CA  
28 92614; 3333 Bristol Street, Suite 1249, Costa Mesa, CA 92626; 578 The Shops at

1 Mission Viejo, Mission Viejo, CA 92691; 331 Los Cerritos Center, Cerritos, CA  
2 90703; 13031 West Jefferson Blvd., Suite 200, Los Angeles, CA 90094; 2140  
3 Glendale Galleria, JCPenney Court, Glendale, CA 91210; 10250 Santa Monica  
4 Blvd., Space #1045, Los Angeles, CA 90067; 6600 Topanga Canyon Blvd, Canoga  
5 Park, CA 91303. Microsoft can be served with process by serving its registered  
6 agent for service of process in California: Corporation Service Company which  
7 Will Do Business in California as CSC - Lawyers Incorporating Service, 2710  
8 Gateway Oaks Dr., Ste. 150, Sacramento, CA 95833.

### 9 **JURISDICTION AND VENUE**

10 6. This action for patent infringement arises under the Patent Laws of the  
11 United States, 35 U.S.C. § 1 et. seq. This Court has original jurisdiction under 28  
12 U.S.C. §§ 1331 and 1338.

13 7. This Court has both general and specific jurisdiction over Microsoft  
14 because Microsoft has committed acts within the Central District of California  
15 giving rise to this action and has established minimum contacts with this forum  
16 such that the exercise of jurisdiction over Microsoft would not offend traditional  
17 notions of fair play and substantial justice. Defendant Microsoft, directly and  
18 through subsidiaries, intermediaries (including distributors, retailers, franchisees  
19 and others), has committed and continues to commit acts of patent infringement in  
20 this District, by, among other things, making, using, testing, selling, licensing,  
21 importing and/or offering for sale/license products and services that infringe the  
22 Asserted Patents.

23 8. Venue is proper in this district and division under 28 U.S.C. §§  
24 1391(b)-(d) and 1400(b) because Microsoft has committed acts of infringement in  
25 the Central District of California and has a regular and established place of business  
26 in the Central District of California.

### 27 **COUNT I– INFRINGEMENT OF U.S. PATENT NO. 7,020,252**

28 9. The allegations of paragraphs 1-8 of this Complaint are incorporated

1 by reference as though fully set forth herein.

2 10. The '252 patent titled, "Group Audio Message Board," issued on  
3 March 28, 2006. A copy of the '252 patent is attached as Exhibit A.

4 11. Pursuant to 35 U.S.C. § 282, the '252 patent is presumed valid.

5 12. Invented by Koninklijke Philips Electronics, N.V., the inventions of  
6 the '252 patent were not well-understood, routine or conventional at the time of the  
7 invention. At the time of invention of the '252 patent, prior art message sharing  
8 systems suffered from drawbacks. '252 patent at 1:24-56. For example, in an  
9 Internet chat room, posted messages are made available almost instantly to other  
10 users. *Id.* at 1:28-29. If the message contents are to be meaningful or interesting to  
11 a user calling up, some form of restriction or segregation must be applied if the user  
12 is not to be faced with hundreds or thousands of messages of little or no relevance  
13 that have been posted in response to similarly unrelated messages. *Id.* at 1:47-53.  
14 Thus, there is a need for specialisation of, or restrictions on, content for messaging  
15 services. *Id.* at 1:54-56.

16 13. The inventive solution of the claimed inventions of the '252 patent  
17 provides a system and method whereby messages posted at a communal location by  
18 a first user and made available to other users will be relevant to those users. *Id.* at  
19 1:60-63. In accordance with one aspect of the invention, the recordal of each  
20 message comprises capture and storage of at least one qualifying parameter  
21 pertaining to the access to the recorded message. *Id.* at 1:64-2:5. The qualifying  
22 parameter is used to enable access by a user having a matching qualifying  
23 parameter to previously recorded messages. *Id.* at 2:6-10. With the recorded  
24 messages being classified according to a qualifying parameter, and only released  
25 again when that parameter is matched, the need for handling large numbers of  
26 irrelevant messages for the user is considerably reduced. *Id.* at 2:10-14.

27 14. A person of ordinary skill in the art reading the '252 patent and its  
28 claims would understand that the patent's disclosure and claims are drawn to

1 solving a specific, technical problem arising in message sharing systems.  
2 Moreover, a person of ordinary skill in the art would understand that the claimed  
3 subject matter of the '252 patent presents advancements in the field of data storage  
4 and retrieval services and, more particularly, message recording and replay services  
5 for users of communications devices. And, as detailed by the specification, the  
6 prior message sharing systems suffered drawbacks such that a new and novel  
7 communications system was required.

8 15. In light of the foregoing, a person of ordinary skill in the art would  
9 understand that claim 2 of the '252 patent is directed to communal audio message  
10 recordal for multiple users where qualifying parameters that include user-supplied  
11 indications of a personal characteristic are used to enable or deny subsequent access  
12 to previously recorded audio data. *Id.* at 6:16-32. Moreover, a person of ordinary  
13 skill in the art would understand that claim 2 of the '252 patent contains the  
14 inventive concept of communal audio message recordal for multiple users where  
15 qualifying parameters that include user-supplied indications of a personal  
16 characteristic are used to enable or deny subsequent access to previously recorded  
17 audio data. *Id.*

18 16. Microsoft makes, uses, offers for sale, and sells in the United States  
19 and imports into the United States electronic devices that practice a method of  
20 restricting or granting access to audio recordings by users based on a qualifying  
21 parameter, including but not limited to Microsoft Stream (collectively the "Accused  
22 Infringing Devices").

23 17. Upon information and belief, the Accused Infringing Devices infringe  
24 claim 2 of the '252 patent by practicing a method in the exemplary manner  
25 described below.

26 18. The Accused Infringing Devices provide a method for enabling  
27 communal audio message recordal including a provision of audio data recorder  
28 coupled with a communications system configured to enable multiple users to

1 access the audio data recorder and to record (e.g., recording by uploading the audio  
2 visual file or using a tool on the user's screen to record an audio visual file)  
3 respective audio messages, wherein a recordal of each message comprises:

#### 4 **Recording by Uploading:**

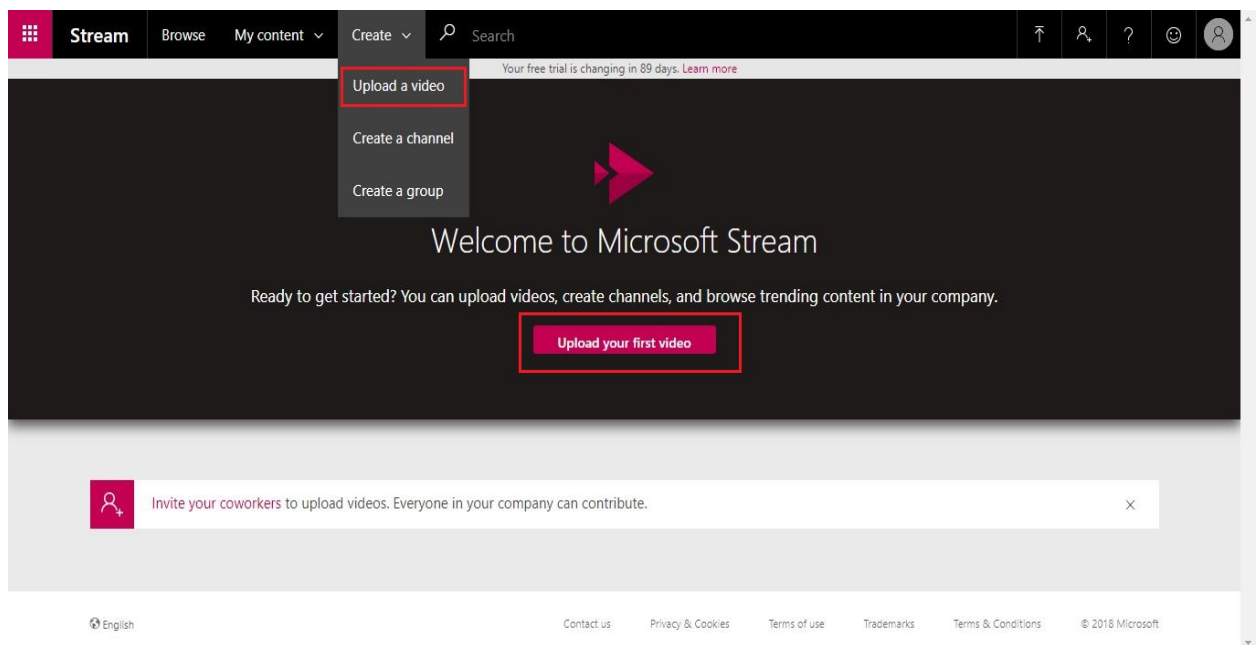
## 6 **What is Microsoft Stream?**

7 Microsoft Stream is an Enterprise Video service where people in an organization can upload, view,  
8 organize and share videos securely. It's easy to get started with your work email. Learn more about  
9 [the Microsoft Stream sign-up process](#)

## 10 **Who is Microsoft Stream intended for?**

11 Microsoft Stream is the video management and sharing service for employees at all levels across  
12 businesses of all sizes who are interested in using videos in the workplace to connect, collaborate,  
13 learn and share information. Anyone can search for videos easily and consume them on their device,  
14 whenever and wherever.

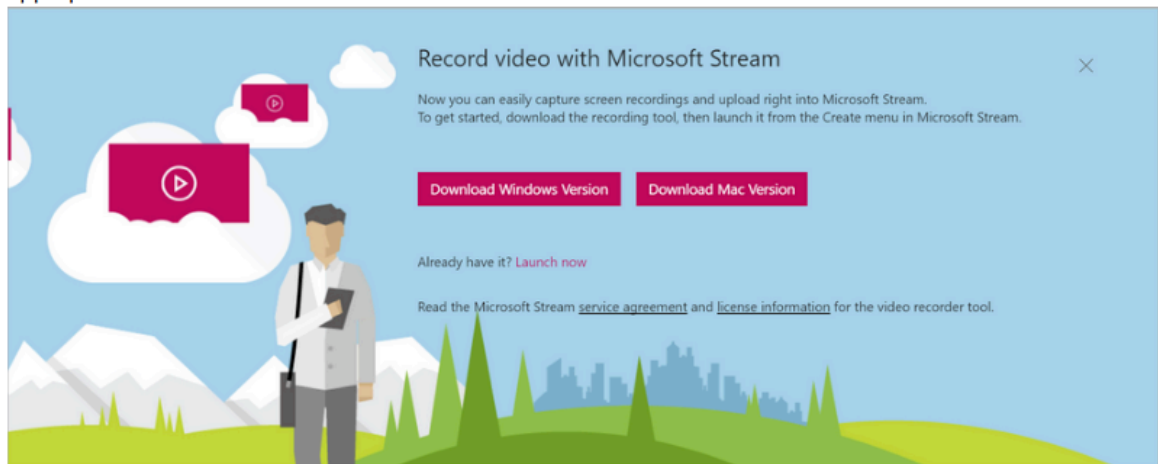
15 **Source:** <https://docs.microsoft.com/en-us/stream/faq>, Page 1



**Source:** <https://web.microsoftstream.com/>, Page 1

## Recording with Screen Recording Tool

3. If you have not yet installed the recording tool, follow the instructions in the modal dialog to download the appropriate version of the tool.



In some cases, we are unable to detect that the tool is already installed. In this case, click "Launch now" to launch the tool.

## Record a video using the screen recording tool

03/21/2018 • 3 minutes to read • Contributors

Microsoft Stream aims to make sharing videos with your colleagues as easy as possible. The screen recorder tool was built to give all Stream users the ability to create video content from their own computers by recording screencasts.

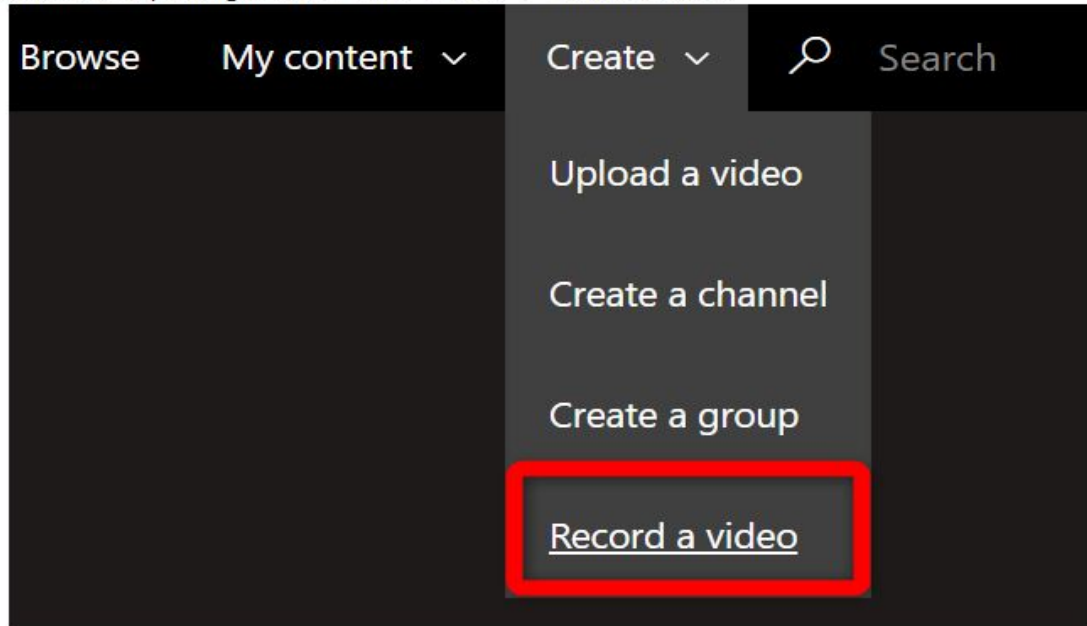
### Considerations

- System requirements
  - Mac OS 10.11 or newer, 64-bit
  - Windows 7 SP1 or newer, 64-bit, .NET 4.6 (will install if necessary)
- Once installed, screen recorder must be launched from the within Stream portal for each video recording (see step 1, below)

Source: <https://docs.microsoft.com/en-us/stream/record-video>, Page 1

## Workflow

1. From the top-navigation bar click "Create" > "Record a video"



2. If we detect that you have already installed the application, the tool will launch itself. In this case, skip to Step 4
3. If you have not yet installed the recording tool, follow the instructions in the modal dialog to download the appropriate version of the tool.

Source: <https://docs.microsoft.com/en-us/stream/record-video>, Page 2

## Privacy

When you create a group in Stream, you set if the group is companywide or not. This determines who has access to see content inside the group.

### Create a group

Create a Stream group connected to an Office 365 Group as an easy way to organize videos and channels. With a group, you can control who can see and edit your videos.

Name

Group email name

Description

☐ Make this group companywide ⓘ

Source: <https://docs.microsoft.com/en-us/stream/groups-channels-overview>, Page 3



## Companywide groups

When "Make this group companywide" is checked for a group, the group is public inside the organization. Use this type of group when you want to broadcast out information to most of your company.

Characteristics of companywide groups:

- Anyone in your company can join without being added by a group owner
- Everyone in the organization will be able to see the videos within these groups

## Private groups

When "Make this group companywide" is not checked, the group is private. Use this type of group when you want to limit access to who can view videos within the group.

Characteristics of private groups:

- An owner of the group will have to add or approve members who join the group
- Only group members will be able to see videos within the group

Source: <https://docs.microsoft.com/en-us/stream/groups-channels-overview>, Page 3 & 4

## Owners & Members

**Owners** Owners of the group will get full control over the group and any videos owned by the group. They can edit the settings of the group, create/delete channels, and delete the group itself.

**Members** In Microsoft Stream, we have a Stream only setting that controls if members are contributors to the group or they are viewers only. This is controlled by the "Allow members to contribute" check box on the group.

- If "Allow members to contribute" is checked, the members of the group will be contributors to the group. They will be able to create/delete channels, and add video to the group, and modify videos owned by the group.
- If "Allow members to contribute" is not checked, the members of the group will be viewers of the group. They will only be able to view videos with this group.



Source: <https://docs.microsoft.com/en-us/stream/groups-channels-overview>, Page 4

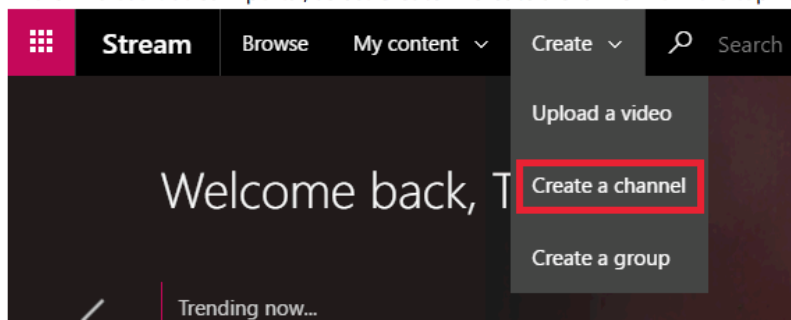
19. The Accused Infringing Devices have a feature of generating and storing at least one qualifying parameter pertaining to the access to the audio data recorder;

## Considerations

- **Companywide channels** must have a unique name across your organization.
- **Group channels** must have a unique name within a group.
- A description and channel image should be added to make it easier for people to find and recognize your channel.
- Custom channel images should be a square. If the image has another shape, it will be cropped to a square automatically.

## Create a new channel

1. In the Microsoft Stream portal, select **Create > Create a channel** from the top navigation bar.



2. In the Create Channel dialog, give a unique name and description for your channel. Channel names are limited to 30 characters. Channel descriptions are limited to 2,000 characters.

**Source:** <https://docs.microsoft.com/en-us/stream/portal-create-channel>

20. The Accused Infringing Devices determine a qualifying parameter for a subsequent access to the audio data recorder by a user;

## Group permissions

Groups have the following access and privacy characteristics:

- Can be companywide or private
- Are made up of owners and members
- Has a setting to control if members are viewers or contributors

As such, when you make a Microsoft Stream group a viewer or owner of a video, all of the above is taken into account to determine who will get access to the video.

For more information: [Group access settings](#).

The screenshot shows the 'Create a group' dialog box. It includes a title 'Create a group', a subtitle 'Create a Stream group connected to an Office 365 Group as an easy way to organize videos and channels. With a group, you can control who can see and edit your videos.', and several input fields: 'Name', 'Group email name', 'Description', 'Classification' (a dropdown menu), and 'Add group members' (a search box). There are also checkboxes for 'Make this group companywide' and 'Allow members to contribute'. At the bottom, there are 'Cancel' and 'Create' buttons. The 'Add group members' section shows a list of members, including 'Me (sameh@)' and an 'Owner' role.

## Channel permissions

Channels are an organization method for videos, but not a permission method. Channels don't have any permissions on their own, unless they are contained in a group. When they are contained in a group they inherit the permission and access settings of the group.

Source: <https://docs.microsoft.com/en-us/stream/portal-permissions#group-permissions>

21. The Accused Infringing Devices enable access by said subsequently accessing user to previously recorded messages having a matching qualifying parameter, otherwise they deny such access wherein the qualifying parameter includes a user-supplied indication of a personal characteristic.

## Group permissions

Groups have the following access and privacy characteristics:

- Can be companywide or private
- Are made up of owners and members
- Has a setting to control if members are viewers or contributors

As such, when you make a Microsoft Stream group a viewer or owner of a video, all of the above is taken into account to determine who will get access to the video.

For more information: [Group access settings](#).

The screenshot shows the 'Create a group' dialog box. At the top, it says 'Create a group' and 'Create a Stream group connected to an Office 365 Group as an easy way to organize videos and channels. With a group, you can control who can see and edit your videos.' Below this are two input fields: 'Name' and 'Group email name'. The 'Name' field is empty, and the 'Group email name' field is highlighted in yellow. Below these is a 'Description' text area and a checkbox labeled 'Make this group companywide'. Below the description is a 'Classification' dropdown menu. Below the classification is an 'Add group members' section with a 'Search for people' input field and a checkbox labeled 'Allow members to contribute'. Below the search field, there are two sections: 'Member' and 'Owner'. The 'Member' section shows a list with a red 'X' icon and a profile picture, followed by 'Me (sameh@)'. The 'Owner' section shows a checkmark icon. At the bottom are two buttons: 'Cancel' (red) and 'Create' (grey).

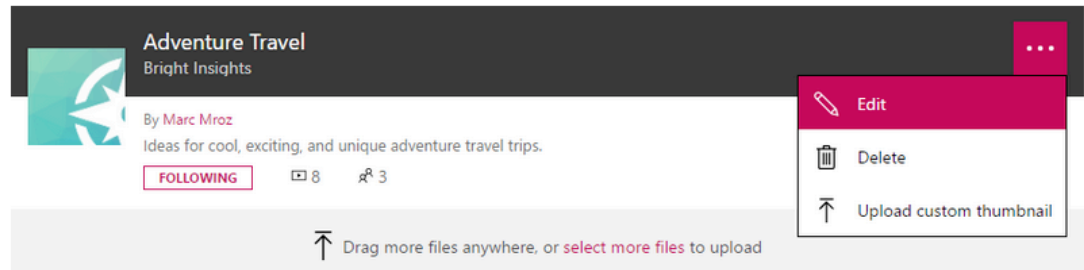
## Channel permissions

Channels are an organization method for videos, but not a permission method. Channels don't have any permissions on their own, unless they are contained in a group. When they are contained in a group they inherit the permission and access settings of the group.

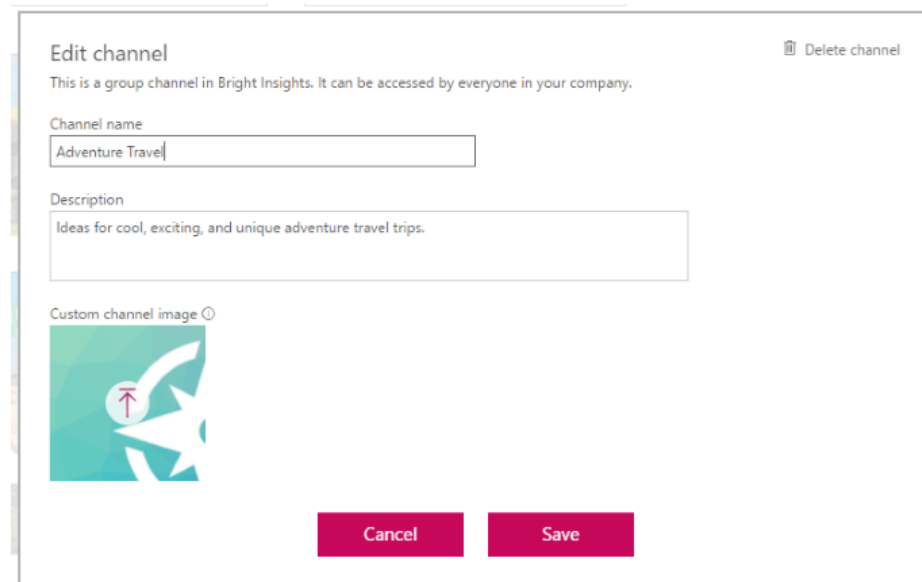
**Source:** <https://docs.microsoft.com/en-us/stream/portal-permissions#group-permissions>

## Edit channel

1. Sign in to the [Microsoft Stream](#) portal.
2. Find the channel you want to edit (for example, through [My channels](#), [My groups](#) or [Browse](#)) and click on it.
3. At the top of the channel select ... > Edit.



4. Start editing the metadata, settings, or delete the channel.



**Source:** <https://docs.microsoft.com/en-us/stream/portal-edit-channel>

22. Microsoft has infringed, and continues to infringe, at least claim 2 of the '252 patent in the United States, by making, using, offering for sale, selling and/or importing the Accused Infringing Devices in violation of 35 U.S.C. § 271(a).

23. Microsoft has also infringed, and continues to infringe, at least claim 2 of the '252 patent by actively inducing others to use, offer for sale, and sell the Accused Infringing Devices. Microsoft's users, customers, agents or other third parties who use those devices in accordance with Microsoft's instructions infringe claim 2 of the '252 patent, in violation of 35 U.S.C. § 271(a). Microsoft

1 intentionally instructs its customers to infringe through training videos,  
2 demonstrations, brochures, installation and user guides, such as those located at:  
3 [www.microsoft.com](http://www.microsoft.com), [support.microsoft.com](http://support.microsoft.com), <https://stream.microsoft.com/en-us/>,  
4 and related domains and subdomains. Microsoft is thereby liable for infringement  
5 of the '252 patent under 35 U.S.C. § 271(b).

6 24. Microsoft has also infringed, and continues to infringe, at least claim 2  
7 of the '252 patent by offering to commercially distribute, commercially  
8 distributing, or importing the Accused Infringing Devices which devices are used in  
9 practicing the processes, or using the systems, of the '252 patent, and constitute a  
10 material part of the invention. Microsoft knows portions of the Accused Infringing  
11 Devices to be especially made or especially adapted for use in infringement of the  
12 '252 patent, not a staple article, and not a commodity of commerce suitable for  
13 substantial noninfringing use. Microsoft is thereby liable for infringement of the  
14 '252 patent under 35 U.S.C. § 271(c).

15 25. Microsoft is on notice of its infringement of the '252 patent by virtue  
16 of a letter from Uniloc to Microsoft dated July 30, 2018. By the time of trial,  
17 Microsoft will have known and intended (since receiving such notice) that its  
18 continued actions would actively induce and contribute to the infringement of at  
19 least claim 2 of the '252 patent.

20 26. Upon information and belief, Microsoft may have infringed and  
21 continues to infringe the '252 patent through other software and devices utilizing  
22 the same or reasonably similar functionality, including other versions of the  
23 Accused Infringing Devices.

24 27. Microsoft's acts of direct and indirect infringement have caused and  
25 continue to cause damage to Uniloc and Uniloc is entitled to recover damages  
26 sustained as a result of Microsoft's wrongful acts in an amount subject to proof at  
27 trial.

**COUNT II – INFRINGEMENT OF U.S. PATENT NO. 8,613,110**

28. The allegations of paragraphs 1-8 of this Complaint are incorporated by reference as though fully set forth herein.

29. The '110 patent titled, "Software Piracy Prevention Through Remote Enforcement Of An Activation Threshold," issued on December 17, 2013. A copy of the '110 patent is attached as Exhibit B.

30. Pursuant to 35 U.S.C. § 282, the '110 patent is presumed valid.

31. Invented by Mr. Reuben Bahar, the inventions of the '110 patent were not well-understood, routine or conventional at the time of the invention. At the time of invention of the '110 patent, software piracy was a grave concern and the existing preventative measures employed by software companies suffered from drawbacks. '110 patent at 1:49-67. For example, prior art system and methods included software access codes, activation plugs (i.e., Memo-HASP), registration, and even costly technical support services. *Id.* Although somewhat effective, these prior art measures were often defeated with relative ease and little or no expense. *Id.* For example, software access codes which were entered to gain access to the software, were disclosed with the software package and are thus, easily copied and distributed to unlicensed users. *Id.* at 1:67-2:3. Activation plugs, such as the ones which attach to a PC's parallel port, were easily duplicated by various manufacturers who illegally sold them on the black market. *Id.* at 2:3-6. Furthermore, while registration of the software would inform the manufacturer of all users (licensed and unlicensed), pirates rarely registered given the absence of a compelling motivation to do so. *Id.* at 2:6-10. Lastly, technical support groups were likewise rarely used by pirates given their reluctance to disclose their illegal use of the software. *Id.* at 2:1-13.

32. The inventive solution of the claimed inventions of the '110 patent provides a reliable and effective method for preventing piracy of a given software application over a communications network that overcomes one or more problems



1 of the prior art. *Id.* at 2:20-24. The solution allows a service provider to prevent  
2 functioning of the software unless it is activated by the service provider. *Id.* The  
3 solution allows a remote service provider to receive data from a user of a software  
4 application and transmit service data (e.g., an activation code) that will activate the  
5 software and allow the user to utilize the software. *Id.* at 2:33-47. In this manner,  
6 the remote service provider can limit software piracy, as only legitimate users of the  
7 software will be given the service data needed to activate the software. *Id.*

8 33. A person of ordinary skill in the art reading the '110 patent and its  
9 claims would understand that the patent's disclosure and claims are drawn to  
10 solving a specific, technical problem arising out of the field of software piracy  
11 prevention. Moreover, a person of ordinary skill in the art would understand that  
12 the claimed subject matter of the '110 patent presents advancements in the field of  
13 software piracy prevention and, more particularly, preventing the piracy of a given  
14 software application through use of a communications network, such as the  
15 Internet, wherein a given software application, installed on a user system, will  
16 function only after a remote service provider transmits a code that will activate the  
17 software for use. *Id.* at 1:23-30. The inventions of the '110 patent are indigenous  
18 to the then nascent field of software piracy prevention.

19 34. In light of the foregoing, a person of ordinary skill in the art would  
20 understand that claim 1 of the '110 patent is directed to a specific way to prevent  
21 piracy of a software application through the use of a remote service system over a  
22 communications network that tracks the number of activation attempts for the  
23 authentic copy of the software based on a unique identification code and generates  
24 an activation code to activate the software (or blacklists the identification code)  
25 based on the number of activation attempts. *Id.* at 1:23-30, 9:4-23. Moreover, a  
26 person of ordinary skill in the art would understand that claim 1 of the '110 patent  
27 contains the inventive concept of preventing the piracy of a software application  
28 through the use of a remote service system over a communications network that



1 tracks the number of activation attempts for the authentic copy of the software  
2 based on a unique identification code and generates an activation code to activate  
3 the software (or blacklists the identification code) based on the number of  
4 activation attempts. *Id.*

5 35. Microsoft makes, uses, offers for sale, and sells in the United States  
6 and imports into the United States electronic devices onto which Microsoft Office  
7 products are installed and activated through Microsoft's product activation process  
8 (collectively the "Accused Infringing Devices").

9 36. Upon information and belief, the Accused Infringing Devices infringe  
10 claim 1 of the '110 patent by practicing a method in the exemplary manner  
11 described below.

12 37. The Accused Infringing Devices prevent piracy of Microsoft Office  
13 products installed on user systems through the product's activation process which is  
14 installable in a data storage element on a user's computer.

#### 15 **Activation**

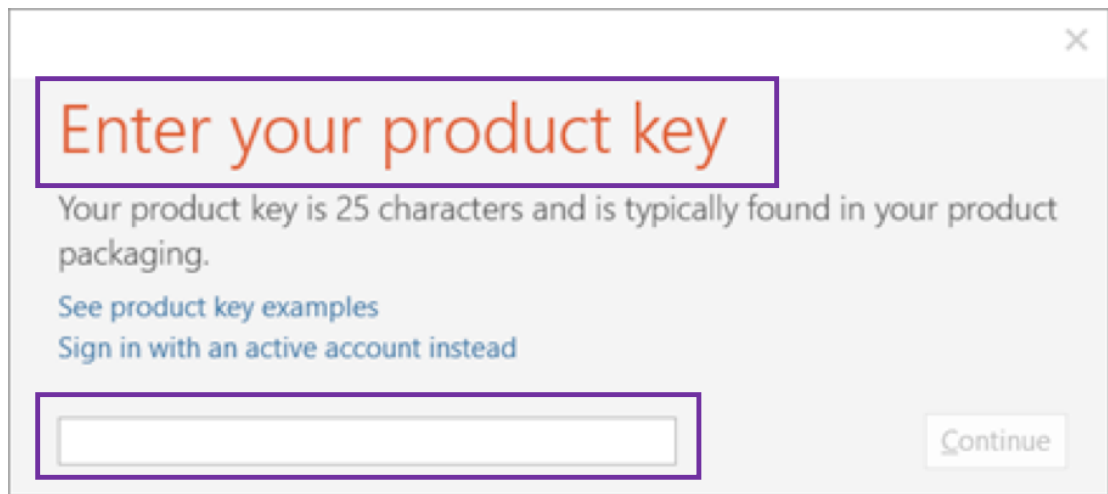
16  
17 You must activate your Microsoft product to confirm that each copy of the product is not  
18 installed on more than the limited number of computers that is indicated in the software  
19 end user license agreement (EULA). The activation process can be performed by using the  
20 telephone, a modem, or the Internet. None of the information that is collected during  
activation will be used to personally identify you.

21  
22 **Source:** <https://support.microsoft.com/en-us/help/326851/activation-and-registration-information-of-a-microsoft-product>

23 38. Microsoft operates a remote service system to receive a unique  
24 identification code from the Accused Infringing Devices that uniquely identifies an  
25 authentic copy of the software.

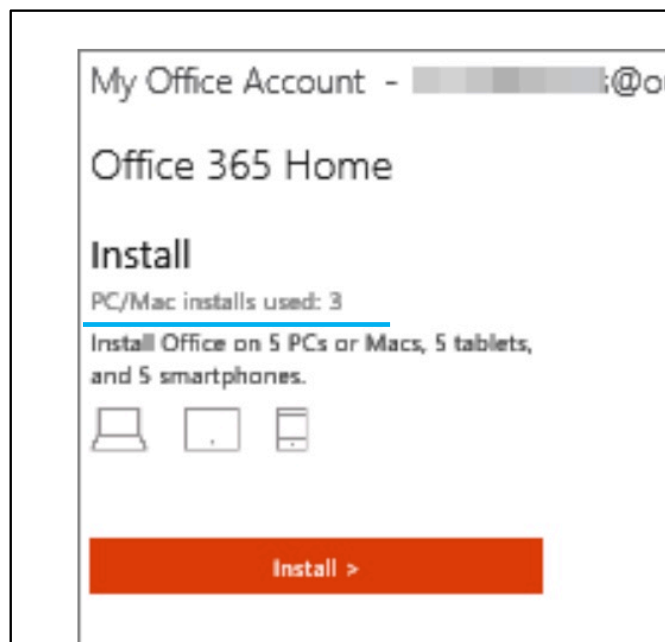
26  
27 Configure the firewall software to let the Activation Wizard connect to the Microsoft server.  
28 To do this, use one of the following options:

Source: <https://support.microsoft.com/en-us/help/822519/when-you-try-to-activate-office-programs-over-the-internet-you-receive>



Source: <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>

39. Microsoft's product activation uses the unique identification code to register the number of activation attempts available for an authentic copy of the software.



Source: <https://support.office.com/en-us/article/sign-in-to-my-office-account-to-install-office-or-manage-your-office-365-subscription-959ac957-8d37-4ae4-b1b6-d6e4874e013f>

## Managing installs

Regardless of your subscription tier you'll have an upper limit on how many times you can install the Office desktop apps. Your account management page will show you which devices you're currently using an install on and how many you have available.

### Office 365 Personal

For 1 PC or Mac and 1 Tablet

#### Install Information

PC, Mac, and Windows Tablet Installs

Computer name

Installed

Office for Windows

Install

Language: English

[Need help installing?](#)

RICHARDS-XPS-13  
(Microsoft Windows 8.1 Pro)

Tuesday, May 5, 2015  
[Deactivate Install](#)

[Language and install options](#)

Used By: You



Experience a whole new kind of Office.

Thank you for purchasing Office. Enter your Product Key and then click the Get Started button below and sign into, or create your Microsoft account to begin installing Office and accessing your new services.

Enter your Product Key

Please provide the 25 character Product Key found on your packaging:

 -  -  -  - 

Get Started

[^ Where can I find my Product Key?](#)

Source: <https://www.windowcentral.com/how-manage-your-office-365-account-and-installs>

40. The Microsoft activation process sends an activation code to the user's computer in the form of an Office entitlement. Activation requires a product key.

# No Office entitlement found on device

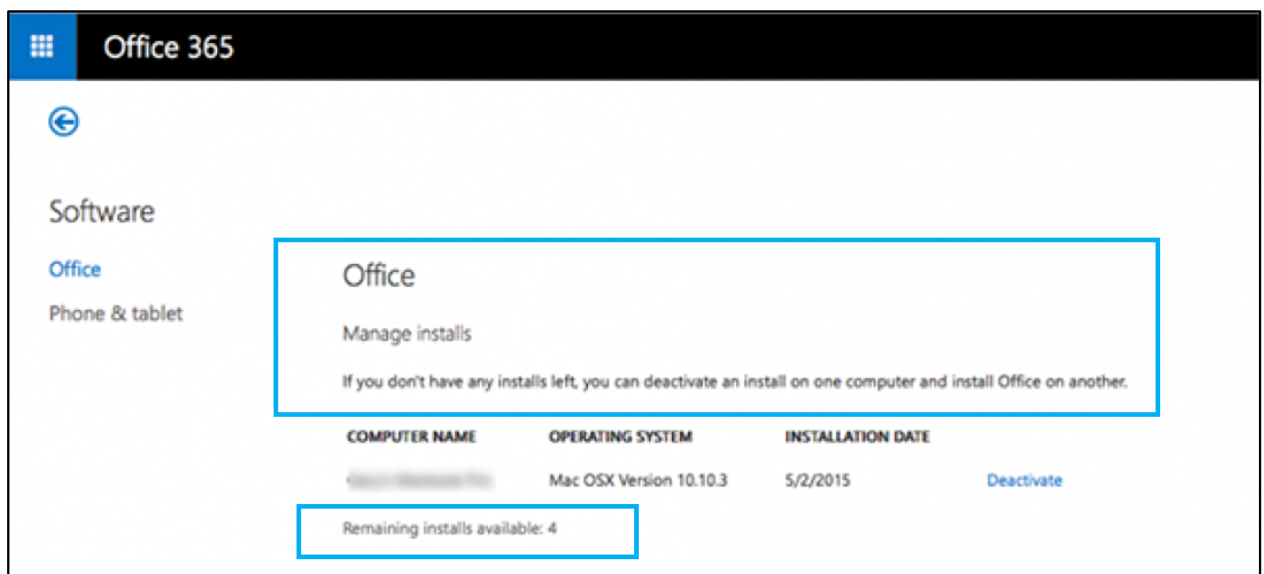
## Symptoms

You start up the Office on a new device and you get a message that "Office isn't entitled on this device" along with the option to try Office, enter a product key or purchase Office.

Source: <https://support.microsoft.com/lo-la/help/2987490/no-office-entitlement-found-on-device>

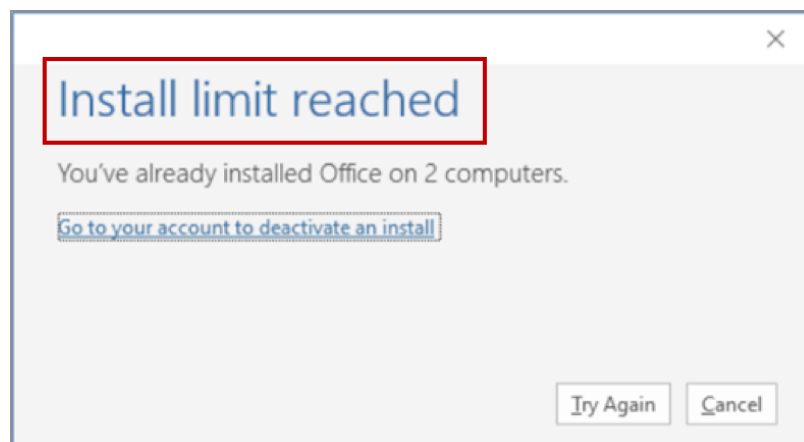


Source: <https://support.office.com/en-us/article/office-repeatedly-prompts-you-to-activate-on-a-new-pc-a9a6b05f-f6ce-4d1f-8d49-eb5007b64ba1>



Source: <https://it.uoregon.edu/node/4481>

41. Microsoft's activation process will not activate the software if the installation limit, which may include successful and unsuccessful activations, has been reached, blacklisting the unique identification code when the number of activation attempts is not less than the predetermined threshold so that the authentic copy of the software is prohibited from receiving any future activation codes from the remote service system.



Source: <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>

# Deactivate an Office 365 install

*Applies To: Excel for Office 365, Word for Office 365, More...*

If you have an Office 365 subscription, you can deactivate an Office 365 install that you're no longer using so you can install Office 365 on a different device. Deactivating an Office 365 install does not uninstall Office, nor does it remove Office documents. Deactivating an Office 365 install is different from canceling your Office 365 subscription.

**Source:** [https://support.office.com/en-us/article/deactivate-an-office-365-install-767e3560-96ed-4b1c-806d-2fe01c529b1b#ID0EABAAA=Office\\_365](https://support.office.com/en-us/article/deactivate-an-office-365-install-767e3560-96ed-4b1c-806d-2fe01c529b1b#ID0EABAAA=Office_365)

42. Microsoft has infringed, and continues to infringe, at least claim 1 of the '110 patent in the United States, by making, using, offering for sale, selling and/or importing the Accused Infringing Devices in violation of 35 U.S.C. § 271(a).

43. Microsoft has also infringed, and continues to infringe, at least claim 1 of the '110 patent by actively inducing others to use, offer for sale, and sell the Accused Infringing Devices. Microsoft's users, customers, agents or other third parties who use those devices in accordance with Microsoft's instructions infringe claim 1 of the '110 patent, in violation of 35 U.S.C. § 271(a). Microsoft intentionally instructs its customers to infringe through training videos, demonstrations, brochures, installation and user guides, such as those located at: [www.microsoft.com](http://www.microsoft.com), [www.office.com](http://www.office.com), support.office.com, support.microsoft.com and related domains and subdomains. Microsoft is thereby liable for infringement of the '110 patent under 35 U.S.C. § 271(b).

44. Microsoft has also infringed, and continues to infringe, at least claim 1 of the '110 patent by offering to commercially distribute, commercially distributing, or importing the Accused Infringing Devices which devices are used in practicing the processes, or using the systems, of the '110 patent, and constitute a

1 material part of the invention. Microsoft knows portions of the Accused Infringing  
2 Devices to be especially made or especially adapted for use in infringement of the  
3 '110 patent, not a staple article, and not a commodity of commerce suitable for  
4 substantial noninfringing use. Microsoft is thereby liable for infringement of the  
5 '110 patent under 35 U.S.C. § 271(c).

6 45. Microsoft is on notice of its infringement of the '110 patent by virtue  
7 of a letter from Uniloc to Microsoft dated July 30, 2018. By the time of trial,  
8 Microsoft will have known and intended (since receiving such notice) that its  
9 continued actions would actively induce and contribute to the infringement of at  
10 least claim 1 of the '110 patent.

11 46. Upon information and belief, Microsoft may have infringed and  
12 continues to infringe the '110 patent through other software and devices utilizing  
13 the same or reasonably similar functionality, including other versions of the  
14 Accused Infringing Devices.

15 47. Microsoft's acts of direct and indirect infringement have caused and  
16 continue to cause damage to Uniloc and Uniloc is entitled to recover damages  
17 sustained as a result of Microsoft's wrongful acts in an amount subject to proof at  
18 trial.

19 **COUNT III – INFRINGEMENT OF U.S. PATENT NO. 7,024,696**

20 48. The allegations of paragraphs 1-10 of this Complaint are incorporated  
21 by reference as though fully set forth herein.

22 49. The '696 patent titled, "Method and System For Prevention Of Piracy  
23 Of A Given Software Application Via A Communications Network," issued on  
24 April 4, 2006. A copy of the '696 patent is attached as Exhibit C.

25 50. Pursuant to 35 U.S.C. § 282, the '696 patent is presumed valid.

26 51. Invented by Mr. Reuben Bahar, the inventions of the '110 patent were  
27 not well-understood, routine or conventional at the time of the invention. At the  
28 time of invention of the '696 patent, software piracy was a grave concern and the

1 existing preventative measures employed by software companies suffered from  
2 drawbacks. '696 patent at 1:34-52. For example, prior art system and methods  
3 included software access codes, activation plugs (i.e., memo hasp), registration, and  
4 even costly technical support services. *Id.* Although somewhat effective, these  
5 prior art measures were often been defeated with relative ease and little or no  
6 expense. *Id.* For example, software access codes which were entered to gain  
7 access to the software, were disclosed with the software package and are thus,  
8 easily copied and distributed to unlicensed users. *Id.* at 1:52-55. Activation plugs,  
9 such as the ones which attach to a PC's parallel port, were easily duplicated by  
10 various manufacturers who illegally sold them on the black market. *Id.* at 1:55-58.  
11 Furthermore, while registration of the software would inform the manufacturer of  
12 all users (licensed and unlicensed), pirates rarely registered given the absence of a  
13 compelling motivation to do so. *Id.* at 1:58-61. Lastly, technical support groups  
14 were likewise rarely used by pirates given their reluctance to disclose their illegal  
15 use of the software. *Id.* at 1:61-63.

16 52. The inventive solution of the claimed inventions of the '696 patent  
17 provides a reliable and effective method for preventing piracy of a given software  
18 application over a communications network that overcomes one or more problems  
19 of the prior art. *Id.* at 1:63-2:7. The solution allows a service provider to prevent  
20 functioning of the software unless it is activated by the service provider. *Id.* The  
21 solution allows a remote service provider to receive data from a user of a software  
22 application and transmit service data (e.g., an activation code) that will activate the  
23 software and allow the user to utilize the software. *Id.* at 2:16-29. In the is manner,  
24 the remote service provider can limit software piracy, as only legitimate users of the  
25 software will be given the service data needed to activate the software. *Id.*

26 53. A person of ordinary skill in the art reading the '696 patent and its  
27 claims would understand that the patent's disclosure and claims are drawn to  
28 solving a specific, technical problem arising out of the field of software piracy



1 prevention. Moreover, a person of ordinary skill in the art would understand that  
2 the claimed subject matter of the '696 patent presents advancements in the field of  
3 software piracy prevention and, more particularly, preventing the piracy of a given  
4 software application through use of a communications network, such as the  
5 Internet, wherein a given software application, installed on a user system, will  
6 function only after a remote service provider transmits a code that will activate the  
7 software for use. *Id.* at 1:8-16. The inventions of the '696 patent are indigenous to  
8 the then nascent field of software piracy prevention.

9         54. In light of the foregoing, a person of ordinary skill in the art would  
10 understand that claim 24 of the '696 patent is directed to a specific way prevent  
11 piracy of a software application through the use of a remote service system over a  
12 communications network that tracks the number of activation attempts for the  
13 authentic copy of the software based on a unique identification code and generates  
14 an activation code to activate the software (or blacklists the identification code)  
15 based on the number of activation attempts. *Id.* at 1:23-30, 11:44-12:4. Moreover,  
16 a person of ordinary skill in the art would understand that claim 24 of the '696  
17 patent contains the inventive concept of preventing the piracy of a software  
18 application through the use of a remote service system over a communications  
19 network that tracks the number of activation attempts for the authentic copy of the  
20 software based on a unique identification code and generates an activation code to  
21 activate the software (or blacklists the identification code) based on the number of  
22 activation attempts. *Id.*

23         55. Microsoft makes, uses, offers for sale, and sells in the United States  
24 and imports into the United States electronic devices onto which Microsoft Office  
25 products are installed and activated through Microsoft's Product Activation process  
26 (collectively the "Accused Infringing Devices").

27         56. Upon information and belief, the Accused Infringing Devices infringe  
28 claim 24 of the '696 patent by practicing a method in the exemplary manner

described below.

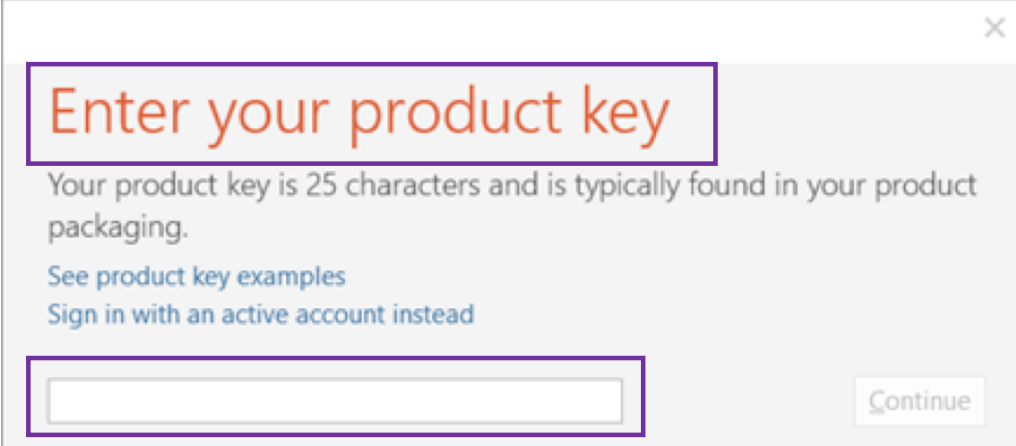
57. The Accused Infringing Devices prevent piracy of Office products installed on user systems through Microsoft's product activation process.

#### Activation

You must activate your Microsoft product to confirm that each copy of the product is not installed on more than the limited number of computers that is indicated in the software end user license agreement (EULA). The activation process can be performed by using the telephone, a modem, or the Internet. None of the information that is collected during activation will be used to personally identify you.

Source: <https://support.microsoft.com/en-us/help/326851/activation-and-registration-information-of-a-microsoft-product>

58. Microsoft assigns a unique identification code to each authentic copy of the software application.

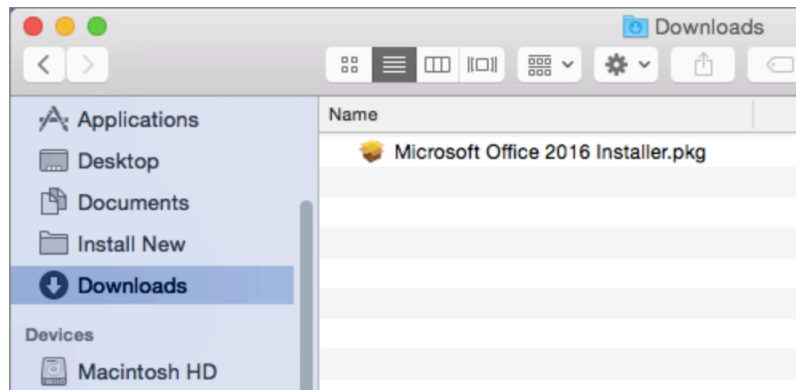
A screenshot of a Microsoft product activation window. The window has a title bar with a close button (X) in the top right corner. The main content area has a light gray background. At the top, the text "Enter your product key" is displayed in a large, bold, orange font. Below this, in a smaller gray font, it says "Your product key is 25 characters and is typically found in your product packaging." Underneath, there are two links in blue text: "See product key examples" and "Sign in with an active account instead". At the bottom left, there is a white rectangular input field with a thin gray border. At the bottom right, there is a "Continue" button with a gray border and text.

Source: <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>

59. Microsoft provides software that installs (e.g., installer software) Microsoft Office products on a user's computer.

## Step 2: Install Office

1. Once the download has completed, open Finder, go to **Downloads**, and double-click **Microsoft\_Office\_2016\_Installer.pkg** (the name might vary slightly).



**Tip:** If you see an error that says the **Microsoft\_Office\_2016\_Installer.pkg** can't be opened because it is from an unidentified developer, wait 10 seconds and then try double-clicking the installer package again. If you're stuck at the **Verifying....** progress bar, close or cancel the progress bar and try again.

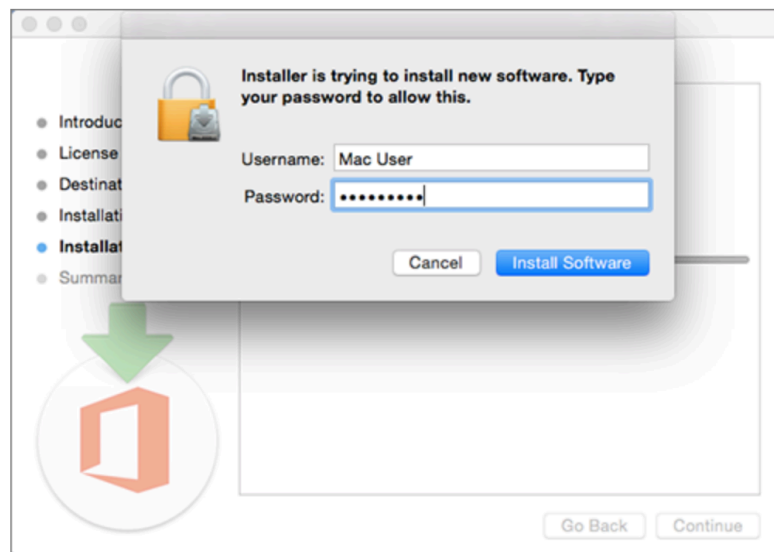
**Source:** <https://support.office.com/en-us/article/download-and-install-or-reinstall-office-365-or-office-2016-on-a-pc-or-mac-4414eaaf-0478-48be-9c42-23adc4716658?ui=en-US&rs=en-US&ad=US>

1           60. The software is installed in a data storage element of the user's  
2 computer (e.g, disk).

3  
4           6. Review the disk space requirements or change your install location, and then click **Install**.

5           **Note:** If you want to only install specific Office apps and not the entire suite, click the **Customize** button  
6 and uncheck the programs you don't want.

7  
8           7. Enter your Mac login password, if prompted, and then click **Install Software**. (This is the password that  
9 you use to log in to your Mac.)



18  
19           **Source:** <https://support.office.com/en-us/article/download-and-install-or-reinstall-office-365-or-office-2016-on-a-pc-or-mac-4414eaaf-0478-48be-9c42-23adc4716658?ui=en-US&rs=en-US&ad=US>  
20

1  
2 61. The software application (e.g., Office products) can be installed before  
3 (or after) the entry of a product key.

4  
5 "PRODUCT NOTICE Most of the features of <app> have been disabled because it hasn't been activated" ^

6 **What the notification looks like**

7 You might a yellow or red warning bar with this message across the top of the application. You might also  
8 see a **Let's get started** screen with options to try, buy, or activate Office using a product key.

9 **Why it happens**

10 If Office was pre-installed on your new device, you must start an Office 365 Home trial or buy Office to  
11 continue using it.

12 **How to turn it off and keep using Office 365**

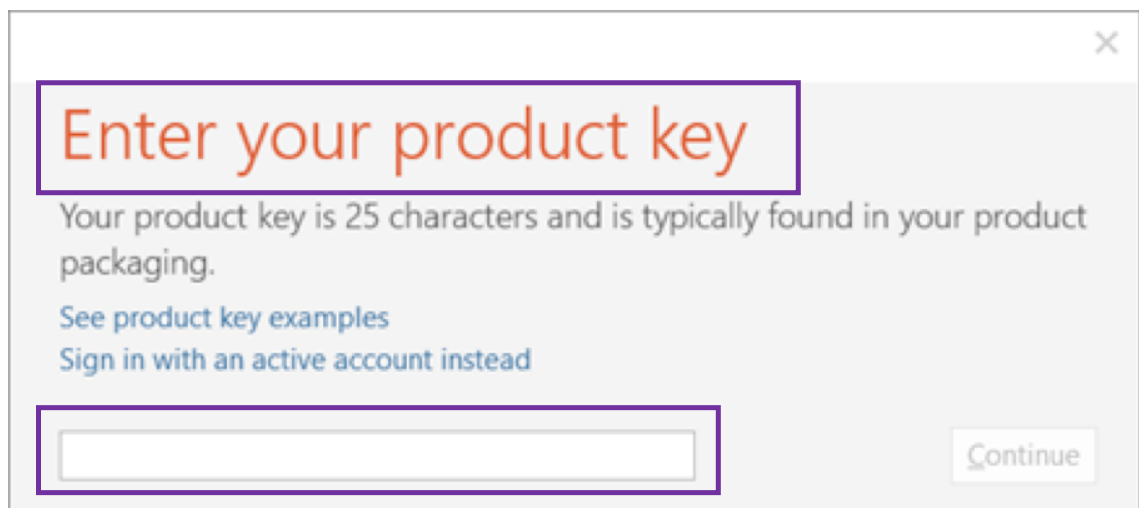
See [Activate Office 365](#), [Office 2016](#), or [Office 2013](#) for help with activating Office on your new device.

13 **Source:** [https://support.office.com/en-us/article/a-subscription-notice-appears-when-i-](https://support.office.com/en-us/article/a-subscription-notice-appears-when-i-open-an-office-365-application-4cabe32c-f594-4c0e-9191-3d3ade10cceb)  
14 [open-an-office-365-application-4cabe32c-f594-4c0e-9191-3d3ade10cceb](https://support.office.com/en-us/article/a-subscription-notice-appears-when-i-open-an-office-365-application-4cabe32c-f594-4c0e-9191-3d3ade10cceb)

15 62. Microsoft configures its software applications (e.g, Office products) to  
16 require service data (e.g., an authorization code) to activate at least part of its  
17 functionality.

18  
19 Configure the firewall software to let the Activation Wizard connect to the Microsoft server.  
20 To do this, use one of the following options:

21 **Source:** [https://support.microsoft.com/en-us/help/822519/when-you-try-to-activate-office-](https://support.microsoft.com/en-us/help/822519/when-you-try-to-activate-office-programs-over-the-internet-you-receive)  
22 [programs-over-the-internet-you-receive](https://support.microsoft.com/en-us/help/822519/when-you-try-to-activate-office-programs-over-the-internet-you-receive)



Source: <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>

## No Office entitlement found on device

### Symptoms

You start up the Office on a new device and you get a message that "Office isn't entitled on this device" along with the option to try Office, enter a product key or purchase Office.

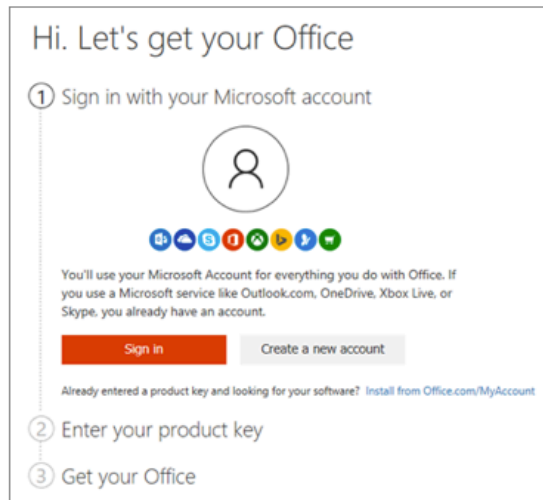
Source: <https://support.microsoft.com/lo-la/help/2987490/no-office-entitlement-found-on-device>



**Source:** <https://support.office.com/en-us/article/office-repeatedly-prompts-you-to-activate-on-a-new-pc-a9a6b05f-f6ce-4d1f-8d49-eb5007b64ba1>

63. Microsoft's Product Activation requires the user to communicate user data over a communications network to a remote service provider (e.g., the Microsoft activation server). The user data is derived, at least in part, from the unique identification code (e.g., the product key). The user data may also include a user's personal Microsoft account information, which is required before a user can enter the product key for certain Office products.

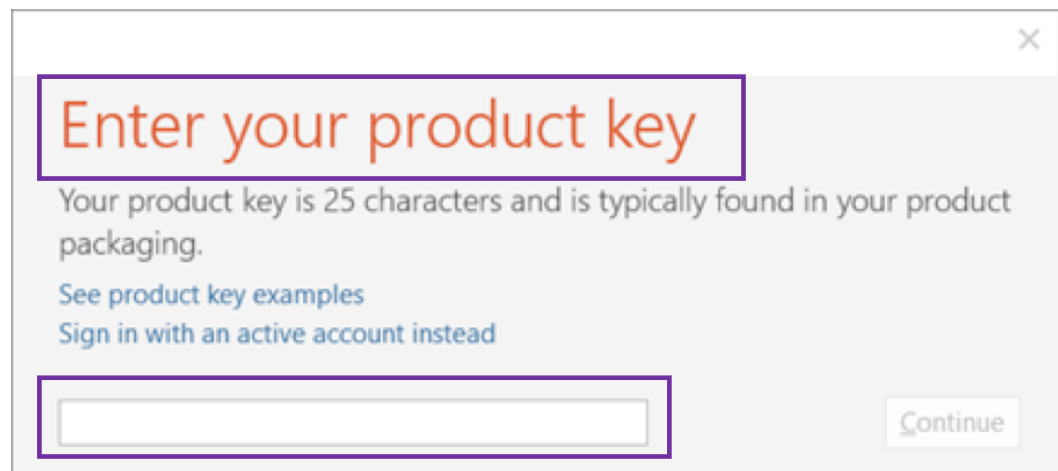
## If you see "Hi. Let's get your Office"



This is the <https://setup.office.com/> page in your web browser. This is where you go to enter a new product key to install a new copy of Office, or to start or renew an Office 365 subscription. You must enter a Microsoft account before you can enter your product key. A Microsoft account is required for Office 365, Office 2016, and Office 2013.

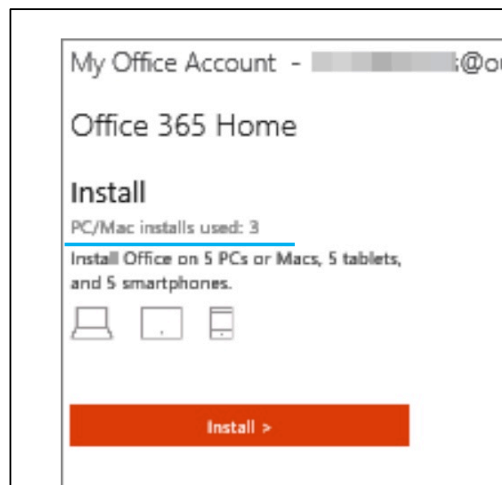
[Get help with Office.com/setup](https://support.office.com/setup)

**Source:** <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>



**Source:** <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>





Source: <https://support.office.com/en-us/article/sign-in-to-my-office-account-to-install-office-or-manage-your-office-365-subscription-959ac957-8d37-4ae4-b1b6-d6e4874e013f>

## Managing installs

Regardless of your subscription tier you'll have an upper limit on how many times you can install the Office desktop apps. [Your account management page will show you](#) which devices you're currently using an install on [and how many you have available](#).

Office 365 Personal  
For 1 PC or Mac and 1 Tablet

### Install Information

PC, Mac, and Windows Tablet Installs

[Computer name](#)

RICHARDS-XPS-13  
(Microsoft Windows 8.1 Pro)  
Used By: You

[Installed](#)

Tuesday, May 5, 2015  
[Deactivate Install](#)

Office for Windows

Language: English

[Language and install options](#)

[Install](#)

[Need help installing?](#)



Experience a whole new kind of Office.

Thank you for purchasing Office. Enter your Product Key and then click the Get Started button below and sign into, or create your Microsoft account to begin installing Office and accessing your new services.

Enter your Product Key

Please provide the 25 character Product Key found on your packaging:

-  -  -  -

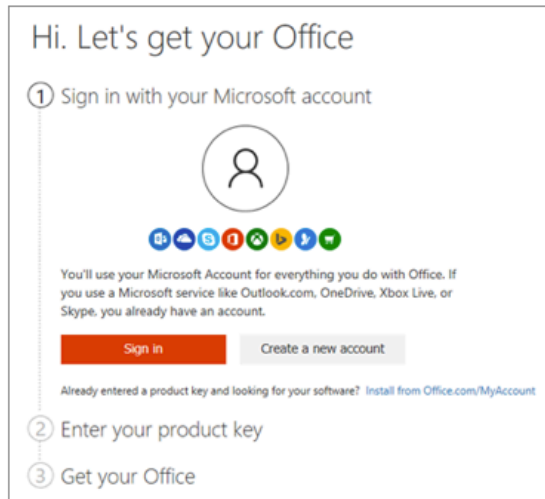
[Get Started](#)

[^ Where can I find my Product Key?](#)

Source: <https://www.windowcentral.com/how-manage-your-office-365-account-and-installs>

64. Microsoft examines the received user data to derive the unique identification code associated with the software application.

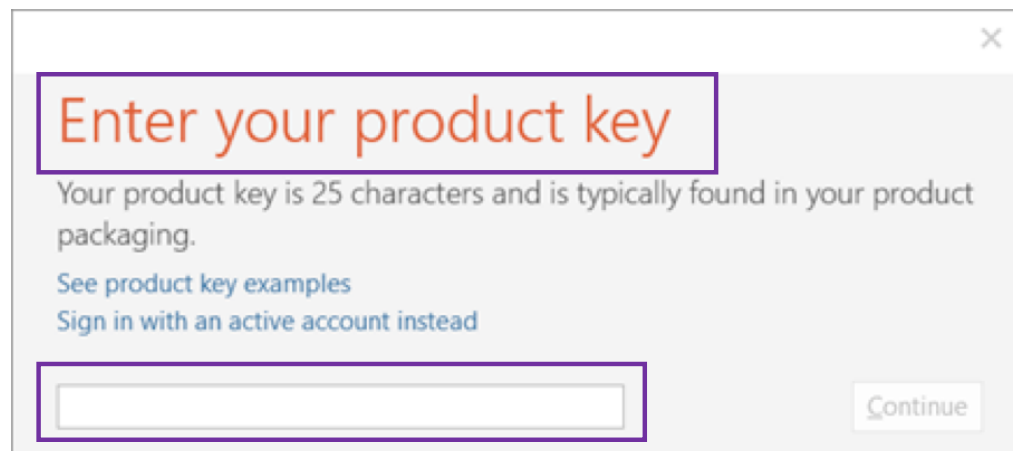
## If you see "Hi. Let's get your Office"



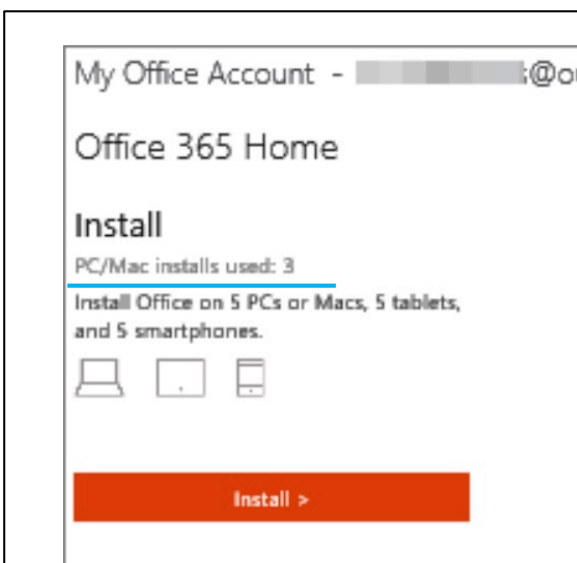
This is the <https://setup.office.com/> page in your web browser. This is where you go to enter a new product key to install a new copy of Office, or to start or renew an Office 365 subscription. You must enter a Microsoft account before you can enter your product key. A Microsoft account is required for Office 365, Office 2016, and Office 2013.

[Get help with Office.com/setup](https://support.office.com/setup)

**Source:** <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>



**Source:** <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>



Source: <https://support.office.com/en-us/article/sign-in-to-my-office-account-to-install-office-or-manage-your-office-365-subscription-959ac957-8d37-4ae4-b1b6-d6e4874e013f>

65. Microsoft determines the number of times an attempt has been made to obtain said service data in order to activate at least part of the functionality of said software application assited to such unique identification code.

## No Office entitlement found on device

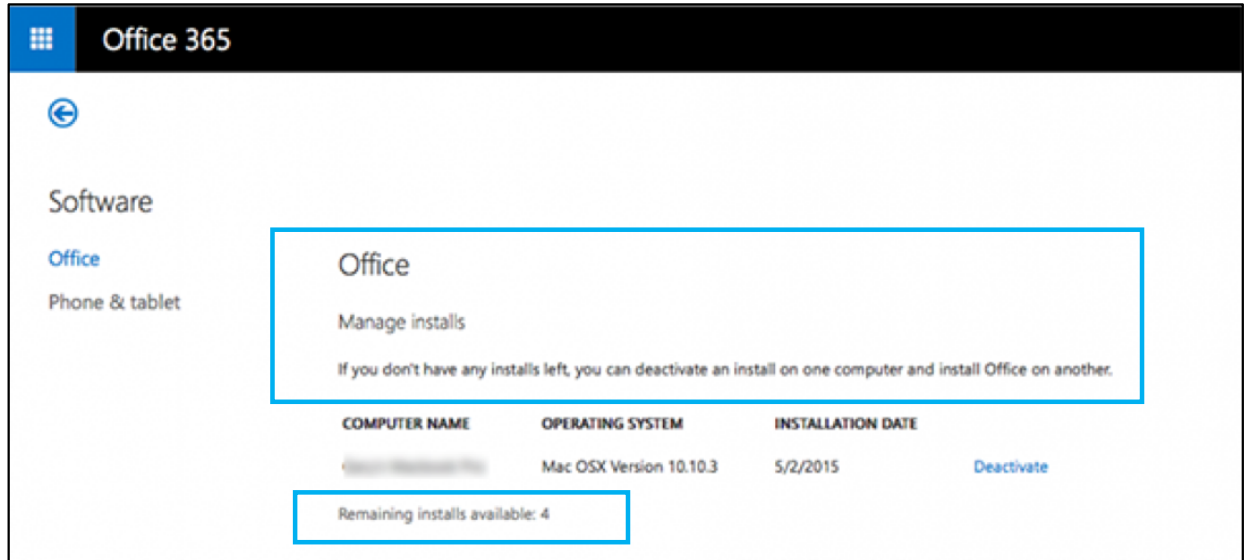
### Symptoms

You start up the Office on a new device and you get a message that "Office isn't entitled on this device" along with the option to try Office, enter a product key or purchase Office.

Source: <https://support.microsoft.com/lo-la/help/2987490/no-office-entitlement-found-on-device>

66. If the user has not exceeded the allowed number of activation attempts, which may include successful and unsuccessful activations, the service data (e.g., activation code) is sent and the software product (e.g., Office) is activated. This is indicated on the user management page indicating the installs that have been used

and the number remaining.



Source: <https://it.uoregon.edu/node/4481>

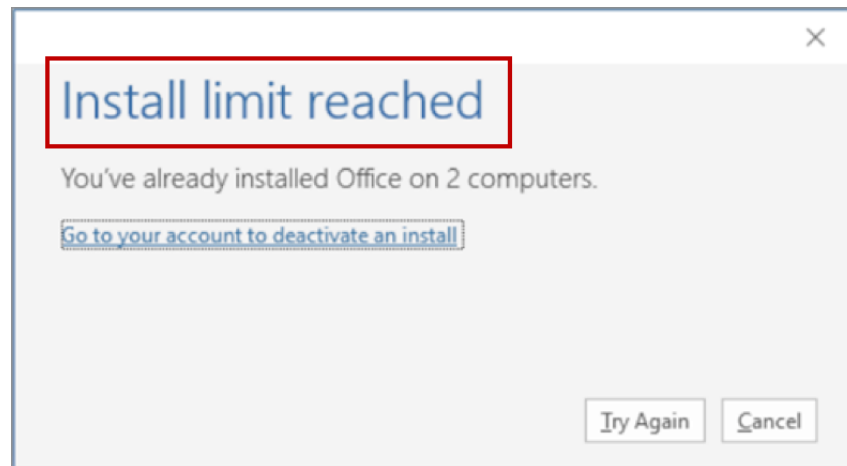
67. The Microsoft software product (e.g., Office), receives the service data within the user's computer and activates the software assuming the installation limit has not been reached.



Source: <https://support.office.com/en-us/article/office-repeatedly-prompts-you-to-activate-on-a-new-pc-a9a6b05f-f6ce-4d1f-8d49-eb5007b64ba1>

68. Microsoft's activation process will not activate the software if the installation limit has been reached. The only way to activate another copy associated with a unique ID is to deactivate an existing copy, freeing up an

1 activation.



10 **Source:** <https://support.office.com/en-us/article/activate-office-365-office-2016-or-office-2013-5bd38f38-db92-448b-a982-ad170b1e187e>

11

12

13

14

## Deactivate an Office 365 install

15 *Applies To: Excel for Office 365, Word for Office 365, More...*

16

17 If you have an Office 365 subscription, you can deactivate an Office 365 install that  
18 you're no longer using so you can install Office 365 on a different device. Deactivating  
19 an Office 365 install does not uninstall Office, nor does it remove Office documents.  
Deactivating an Office 365 install is different from canceling your Office 365 subscription.

20 **Source:** [https://support.office.com/en-us/article/deactivate-an-office-365-install-767e3560-96ed-4b1c-806d-2fe01c529b1b#ID0EABAAA=Office\\_365](https://support.office.com/en-us/article/deactivate-an-office-365-install-767e3560-96ed-4b1c-806d-2fe01c529b1b#ID0EABAAA=Office_365)

21

22 69. Microsoft has infringed, and continues to infringe, at least claim 24 of

23 the '696 patent in the United States, by making, using, offering for sale, selling

24 and/or importing the Accused Infringing Devices in violation of 35 U.S.C. § 271(a).

25 70. Microsoft has also infringed, and continues to infringe, at least claim

26 24 of the '696 patent by actively inducing others to use, offer for sale, and sell the

27 Accused Infringing Devices. Microsoft's users, customers, agents or other third

28

1 parties who use those devices in accordance with Microsoft's instructions infringe  
2 claim 24 of the '696 patent, in violation of 35 U.S.C. § 271(a). Microsoft  
3 intentionally instructs its customers to infringe through training videos,  
4 demonstrations, brochures, installation and user guides, such as those located at:  
5 [www.microsoft.com](http://www.microsoft.com), [www.office.com](http://www.office.com), support.office.com, support.microsoft.com  
6 and related domains and subdomains. Microsoft is thereby liable for infringement  
7 of the '696 patent under 35 U.S.C. § 271(b).

8 71. Microsoft has also infringed, and continues to infringe, at least claim  
9 24 of the '696 patent by offering to commercially distribute, commercially  
10 distributing, or importing the Accused Infringing Devices which devices are used in  
11 practicing the processes, or using the systems, of the '696 patent, and constitute a  
12 material part of the invention. Microsoft knows portions of the Accused Infringing  
13 Devices to be especially made or especially adapted for use in infringement of the  
14 '696 patent, not a staple article, and not a commodity of commerce suitable for  
15 substantial noninfringing use. Microsoft is thereby liable for infringement of the  
16 '696 patent under 35 U.S.C. § 271(c).

17 72. Microsoft is on notice of its infringement of the '696 patent by virtue  
18 of a letter from Uniloc to Microsoft dated August 8, 2018. By the time of trial,  
19 Microsoft will have known and intended (since receiving such notice) that its  
20 continued actions would actively induce and contribute to the infringement of at  
21 least claim 24 of the '696 patent.

22 73. Upon information and belief, Microsoft may have infringed and  
23 continues to infringe the '696 patent through other software and devices utilizing  
24 the same or reasonably similar functionality, including other versions of the  
25 Accused Infringing Devices.

26 74. Microsoft's acts of direct and indirect infringement have caused and  
27 continue to cause damage to Uniloc and Uniloc is entitled to recover damages  
28 sustained as a result of Microsoft's wrongful acts in an amount subject to proof at

trial.

**PRAYER FOR RELIEF**

WHEREFORE, plaintiff Uniloc 2017 LLC respectfully prays that the Court enter judgment in its favor and against Microsoft as follows:

a. A judgment that Microsoft has infringed one or more claims of the '252 patent literally and/or under the doctrine of equivalents directly and/or indirectly by inducing infringement and/or by contributory infringement

b. A judgment that Microsoft has infringed one or more claims of the '110 patent literally and/or under the doctrine of equivalents directly and/or indirectly by inducing infringement and/or by contributory infringement;

c. A judgment that Microsoft has infringed one or more claims of the '696 patent literally and/or under the doctrine of equivalents directly and/or indirectly by inducing infringement and/or by contributory infringement;

d. That for each Asserted Patent this Court judges infringed by Microsoft this Court award Uniloc its damages pursuant to 35 U.S.C. § 284 and any royalties determined to be appropriate;

e. That this be determined to be an exceptional case under 35 U.S.C. § 285 and that Uniloc be awarded enhanced damages up to treble damages for willful infringement as provided by 35 U.S.C. § 284;

f. That this Court award Uniloc prejudgment and post-judgment interest on its damages;

g. That Uniloc be granted its reasonable attorneys' fees in this action;

h. That this Court award Uniloc its costs; and

i. That this Court award Uniloc such other and further relief as the Court deems proper.

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Dated: November 17, 2018

By: /s/ M. Elizabeth Day  
M. Elizabeth Day

Attorneys for Plaintiff  
Uniloc 2017 LLC